



DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

Programs Management Division

10 February 1999

Ms. Donna Dowsett-Coirlo
Director of the Central American
Country Management Team
World Bank
1818 H Street, NW
Washington, D. C. 20433

Dear Ms. Dowsett-Coirlo:

It is the understanding of the U.S. Army Corps of Engineers (the "Corps") that the World Bank wants the Corps to provide reimbursable technical assistance in Honduras on behalf of the World Bank. Based on the information we have been provided, we understand that the World Bank has asked the Corps to be part of an interagency team (the "Team") that will be comprised of the Corps and the United States Geological Survey. This Team will travel to Honduras to assess alternative solutions to prevent and reduce damages due to flooding and landslides in the vicinity of Tegucigalpa. The end result of this assessment will be a report, developed by the Team, which will provide an analysis of the current situation and recommendations for mitigating flooding and landslides in the Tegucigalpa region. Our Office of the Chief Counsel has determined that the Corps possesses sufficient statutory authority to provide such assistance.

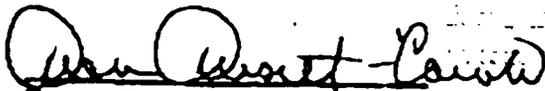
The World Bank has agreed to pay for this assistance. These costs will be limited to the participation of Mr. Howard Whittington of the Corps' Mobile District Office. The Team will also consult with Mr. Lawson Smith of the Corps' Waterways Experiment Station, who is in Honduras on a separate project; however, the expenses associated with his participation will not be charged to the World Bank. The Corps' estimate of the cost of the reimbursable assistance is \$6,768.00. This estimate does not include travel and lodging expenses, which will be arranged through and paid directly by the World Bank's Travel Office. We understand that the Team will travel to Honduras on February 11, 1999, and the length of their visit will be approximately one week. Prior to the involvement of the Corps, the World Bank will provide a written certification by a Finance and Accounting Officer that the World Bank has obligated funds in the aforementioned amount for this purpose, which it will transfer to the Corps at the earliest possible time.

The Department of Defense (DOD) requires that before any DOD personnel perform work in a foreign country, they be afforded certain protections. Traditionally, the Corps has sought to have such personnel accredited as members of the administrative and technical staff of the diplomatic mission of the United States in the host nation. Such accreditation is obtained through the Department of State, in coordination with the U.S. embassy and the host nation. At this time, we merely point out that we cannot send Corps' personnel to Honduras before we receive such accreditation, and we condition our commitment on the receipt of such accreditation. At this time, we are in the process of seeking this accreditation through the Department of State.

This letter represents the Corps' understanding of the agreement between the Corps and the World Bank for the provision of the aforementioned services by the Corps to the World Bank. We ask that you confirm this understanding by similar correspondence, or by countersigning this document below, thereby committing our two organizations to the performance of this work, subject to the preconditions outlined above. If this letter does not accurately convey the agreement reached between the Corps and the World Bank, we would ask that you identify any discrepancies by similar correspondence.

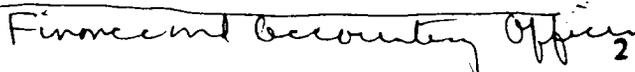
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Stephen E. Browning
Chief, Programs Management Division
Directorate of Military Programs



Donna Dowsett-Coirle
Director of the Central American
Country Management Team, World Bank

I hereby certify that the World Bank has obligated funds in the amount indicated in paragraph 2 of this letter for the purposes indicated in paragraphs 1 and 2 of this letter.

 2